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New ties with Iran aim of Saudi role

By Martin Sieff
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Saudi billionaire Adnan Khashoggi's role in arranging the U.S.-Iran arms deal was only part of a larger Saudi effort to open a door to the Ayatollah Khomeini's revolutionary regime, according to analysts here.

The Saudis themselves deny it, but Middle East experts point to Riyadh's top-level diplomatic contacts with Tehran, established as early as May 1985, and Mr. Khashoggi's admission that he had kept his government "fully informed."

Robert Satloff, an Arab affairs expert with the Washington Institute for Near East Policy, noted a number of chronological "coincidences" in U.S., Saudi and Iranian dealings:

- On May 8, 1985, Saudi Foreign Minister Saud bin Faisal and Defense Minister Sultan bin Abd al-Aziz were hosts to Iranian Energy Minister Hasan Ghafari-Fard. Ten days later, on May 18, Prince Saud returned the visit and flew to Tehran.

It was the first time a senior Saudi prince had visited Tehran officially since the 1979 Islamic Revolution. And just two days later, a Saudi diplomat held hostage by radical Shi'ites in Lebanon for 16 months suddenly was released.

While all this was going on, CIA analyst Graham Fuller in Washington produced a memorandum on Soviet infiltration of Iran. Since early 1985, a crescendo of Soviet propaganda had been aimed at Iran, coupled with offers of cooperation with Tehran. U.S. policymakers were beginning to express the need to open up their own connections to Tehran.

- In July 1985, National Security Council consultant Michael Ledeen, while visiting Israel, raised the subject of relations with Iran there. He

was referred to Israeli Foreign Ministry Director General David Kimche who then suggested some contacts.

On July 19, Saudi Foreign Minister Saud was host to Mohammed Husain Lavasani, director-general of the Iranian Foreign Ministry office of African and Asian countries. That same month, Mr. Khashoggi played middleman to the Israelis and the Iranians in Hamburg.

- On Dec. 4, 1985, Robert McFarlane resigned as national security adviser. On Dec. 6, a key White House meeting was held to decide whether the United States should get directly involved in arms shipments to Iran. Over the weekend of Dec. 7, Mr. McFarlane flew to Europe to meet arms dealers, with some of whom he was by now unhappy. Another full-scale White House review then was held.

On Dec. 7-9, Iranian Foreign Minister Ali-Akbar Velayati visited Saudi Arabia. On Dec. 17, 1985, CIA Director William Casey presented to President Reagan an intelligence finding that waived the U.S. arms embargo to Iran.

Mr. Casey had close connections with the Saudi leadership, and had reportedly discussed the subject of Saudi aid to the Nicaraguan resistance with King Fahd on Mr. Khashoggi's \$50 million luxury yacht, Nabila, in February 1984.

On Jan. 17, President Reagan signed Mr. Casey's intelligence finding authorizing clandestine arms shipments to Iran from Pentagon stocks.

- In February 1986, the Iranians took the Iraqi oil port of Faw in a surprise offensive, kindling fears that they might win the Gulf War. This prompted a flurry of Saudi-Iranian contacts.

On Feb. 22, Saudi Foreign Minister Saud and Iranian Deputy Foreign Minister Ali-Mohammed Besharati were both in Damascus at the same time. Two days later, Iranian Deputy Foreign Minister Shaikh ol-Eslam visited Saudi Defense Minister Prince Sultan in Saudi Arabia.

And on Feb. 28, 1986, Lt. Col. Oliver North, accompanied by Amiran Nir, the counterterrorism adviser to then Israeli Prime Minister Shimon Peres, flew to Tehran on a plane carrying replacement parts for Hawk anti-aircraft missiles. In December 1985, Mr. Nir had taken over supervision of the Israel link in the arms network from Israeli businessmen Al Schwimmer and Yaakov Nimrodi.

- On May 14, 1986, King Fahd met with Syrian Foreign Minister Farouk Shareh in Saudi Arabia. The very next day Syrian Vice President Abdel Halim Khaddam traveled to Tehran. He returned to Damascus that night.

On May 22, Saudi Crown Prince Abdullah, known for his connections to the Syrian leadership, played host to Mr. Khaddam. Six days later, Mr. McFarlane arrived in Tehran. The day after his arrival, an envoy from King Fahd also arrived there.

- The following month, in June 1986, Mr. Khashoggi, a key figure in the deal, received a \$35 million loan from the National Commercial Bank of Saudi Arabia. "The missing piece in the puzzle," said one Saudi affairs expert, "is, did that money go into the smaller Swiss account to pay for the U.S. weapons?"

- A similar pattern emerged in the freeing of U.S. hostages the Rev. Benjamin Weir in Lebanon this year. On Sept. 12, Crown Prince Abdullah and Iranian Finance Minister Mohammad Javad Iravani crossed paths in Damascus. On Sept. 14, a shipment of U.S.-made arms arrived in Iran and Mr. Weir was released. However, for the next four days, the White House refused to announce it because it expected other U.S. hostages in Beirut to be released as well.